DRAFT

Date

Mr. Mark Bisett Manager, Environmental Compliance Transcontinental Gas Pipe Line Corporation P.O. Box 1396 Houston, Texas 77251-1396

Facility: Transcontinental Gas Pipe Line – Station 175

Location: Fluvanna County Registration No.: 40789

State County Plant ID No.: 51-065-0016

Dear Mr. Bisett:

Attached is a permit to operate a gas compressor station in accordance with the provisions of the Commonwealth of Virginia State Air Pollution Control Board Regulations for the Control and Abatement of Air Pollution. This permit is for the purpose of addressing the interstate transport of ozone and implementing control measures that will address the significant contribution to downwind ozone nonattainment in federally enforceable conditions. Except to the extent that conditions in this permit may be more stringent, this permit does not supersede or replace any other valid permit. Furthermore, this approval to operate shall not relieve Transcontinental Gas Pipe Line Corporation of the responsibility to comply with all other local, state and federal regulations, including permit regulations.

Failure by Transcontinental Gas Pipe Line Corporation to comply with any of the conditions of this permit shall constitute a violation of a Permit of the Board. Failure to comply may result in a Notice of Violation and civil penalty. <u>Please read all permit conditions carefully.</u>

At any time in the future, should Transcontinental Gas Pipe Line Corporation plan any modifications (within the context of the new source review program) of the facility covered by this permit, Transcontinental Gas Pipe Line Corporation shall have the right to

apply to the Board for a new source review permit and the Board may consent to such modifications provided such modifications will meet all of the new source review permit program regulatory requirements in existence at that time.

9 VAC 5-170-200 of the Regulations of the Board provides that you may request a formal hearing from this case decision by filing a petition with the Board within 30 days after this case decision notice was mailed or delivered to you. Please consult the relevant regulations for additional requirements for such requests.

Additionally, as provided by Rule 2A:2 of the Supreme Court of Virginia, you have 30 days from the date you actually received this permit or the date on which it was mailed to you, whichever occurred first, within which to initiate an appeal to court by filing a Notice of Appeal with:

David K. Paylor, Director Department of Environmental Quality P.O. Box 10009 Richmond, Virginia 23240-0009

In the event that you receive this permit by mail, three days are added to the period in which to file an appeal. Please refer to Part Two A of the Rules of the Supreme Court of Virginia for additional information including filing dates and the required content of the Notice of Appeal.

If you have any questions concerning this permit, please call Anita Riggleman of the Valley Regional Office at (540) 574-7852.

Sincerely,

Larry M. Simmons, P.E. Regional Permit Manager

SGF/ACR/40789_NOx_Phase_II_SOP_Draft_Permit2_acr

Attachment: Permit

cc. Director, OAPP (electronic file submission)
Manager, Data Analysis (electronic file submission)
Chief, Air Enforcement Branch (3AP13), U.S. EPA, Region III
Michael Callegari, Williams Gas Pipeline
Mary Beth Whitfield, Williams Gas Pipeline

STATIONARY SOURCE PERMIT TO OPERATE This permit implements the control measures required for the NO_x SIP Call Phase II.

In compliance with the Federal Clean Air Act and the Commonwealth of Virginia Regulations for the Control and Abatement of Air Pollution,

Transcontinental Gas Pipe Line Corporation
P.O. Box 1396
Houston, Texas 77251-1396

Transcont inental Gas Pipe Line Corporation - Station 175
Registration No.: 40789
County-Plant ID No.: 51-065-0016

is authorized to operate

a natural gas compressor station

located at

1344 Transco Road, Fluvanna County, Virginia
in accordance with the Conditions of this permit.

Approved on

DRAFT

David K. Paylor
Director, Department of Environmental Quality

Permit consists of 11 pages. Source Testing Report Format

I. PURPOSE:

This permit is for the purpose of:

- A. Addressing the interstate transport of ozone and implementing ozone season emission reduction measures that will address the significant contribution to downwind ozone nonattainment by imposing certain federally enforceable conditions; and
- B. Establishing requirements for the reduction of nitrogen oxide (NO_x) emissions during the ozone season from the Transcontinental Gas Pipe Line Corporation Compressor Station Number 175 located in Fluvanna County. These requirements shall be the legal and regulatory basis for control of NO_x emissions from this facility.

II. DEFINITIONS:

- A. <u>Affected Engine</u> means any stationary IC engine that is a Large NO_x SIP Call Engine, or other stationary IC engine that is subject to NO_x emission reduction requirements under this permit.
- B. **Board** or **SAPCB** means the State Air Pollution Control Board, a citizen board of the Commonwealth of Virginia described in § 10.1-1301 of the Code.
- C. Clean Air Act (CAA) means 42 USC 7401 et seq.
- D. Code means the Code of Virginia.
- E. <u>DEQ</u> means the Department of Environmental Quality, an agency of the Commonwealth described in § 10.1-1183 of the Code.
- F. **EPA** means the United States Environmental Protection Agency.
- G. <u>Large NO_x SIP Call Engine</u> means a stationary IC engine identified and designated as "large" in the NO_x SIP Call Engine Inventory as emitting more than one ton of NO_x per average ozone season day in 1995. The EPA list of internal combustion engines can be found at: http://www.epa.gov/ttn/oarpg/t1/reports/icefeb00.xls.
- H. New source review (NSR) program means a preconstruction review and permit program (i) for new stationary sources or modifications (physical changes or changes in the method of operation) to existing ones, (ii) established to implement the requirements of §§ 110 (a)(2)(C), 112 (relating to permits for hazardous air

pollutants), 165 (relating to permits in prevention of significant deterioration areas), and 173 (relating to permits in nonattainment areas) of the federal Clean Air Act and associated regulations, and (iii) promulgated as Article 6 (9 VAC 5-80-1100 et seq.), Article 7 (9 VAC 5-80-1400 et seq.), Article 8 (9 VAC 5-80-1700 et seq.) and Article 9 (9 VAC 5-80-2000 et seq.) of Part II of 9 VAC 5 Chapter 80 of the SAPCB Regulations.

- I. $\underline{NO_X}$ means nitrogen oxides as defined by 9 VAC 5-10-20 of the SAPCB Regulations.
- J. <u>Ozone season</u> means the period of time from May 1 to September 30 of any calendar year.
- K. Past NO_x Emission Rate means the emission rate of an affected engine in pounds per hour (lb/hr) as determined by performance testing consistent with the requirements of 40 CFR Part 60, Appendix A. Where such performance test data are not available, the Past NO_x Emission Rate may be determined by the State on a case-by-case basis using, for example, appropriate emission factors or data from the NO_x SIP Call Engine Inventory. For any affected unit subject to the NO_x SIP Call, the Past NO_x Emission Rate is the uncontrolled emission rate.
- L. <u>Allowable Operating Hours</u> means the allowable number of hours of operation per ozone season for an affected engine or group of engines.
- M. <u>Allowable NO_x Emission Rate</u> means the allowable NO_x emission rate in pounds per hour (lb/hr) during the ozone season for an affected engine or group of engines.
- N. <u>State Air Pollution Control Board (SAPCB) Regulations</u> means 9 VAC 5 Chapters 10 through 80 and 9 VAC 5 Chapter 170.
- O. <u>SIP or State Implementation Plan</u> means the portion or portions of the plan, or the most recent revision thereof, which has been approved under § 110 of the federal Clean Air Act, or promulgated under § 110(c) of the federal Clean Air Act, or promulgated or approved pursuant to regulations promulgated under § 301(d) of the federal Clean Air Act and which implements the relevant requirements of the federal Clean Air Act.
- P. <u>Stationary internal combustion engine (IC engine)</u> means any internal combustion engine of the reciprocating type that is either attached to a foundation at a facility or is designed to be capable of being carried or moved from one location to another and remains at a single site at a building, structure, facility, or installation for more than 12 consecutive months. Any engine (or engines) that replaces an engine at a site that is intended to perform the same or similar

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function as the engine replaced is included in calculating the consecutive time period.

Q. <u>VAC or 9 VAC</u> means Title 9 of the Virginia Administrative Code. This title comprises the environmental regulations for the Commonwealth of Virginia, including the State Air Pollution Control Board Regulations.

III. CONDITIONS:

A. Application:

- 1. Beginning on May 1, 2007, the owner or operator of any affected engine identified in Condition III.B.1 shall not operate that affected engine during the ozone season unless the owner or operator complies with the operating and emission limitation requirements set forth in this permit. (9 VAC 5-80-850)
- 2. The facility shall be operated in accordance with the terms and conditions of this permit. Any changes in the facilities subject to this permit or any existing facilities which alter the impact of the permitted facility on air quality may require a permit or a permit revision.

 (9 VAC 5-80-830)
- 3. Except as specified in this permit, the permitted facility is to be operated as represented in the permit application dated December 1, 2005. Any changes in the permit application specifications or any existing facilities which alter the impact of the facility on air quality may require a permit or permit revision.

(9 VAC 5-80-830)

B. Process Requirements:

1. Equipment List:

Affected engines subject to emission reductions of the NO_x SIP Call to be operated at this facility consist of the following:

Reference ID	Manufacturer	Model Number	Horsepower
M/L 1	Cooper-Bessemer	LSV-16SG	4,400
M/L 2	Cooper-Bessemer	LSV-16SG	4,400
M/L 3	Cooper-Bessemer	LSV-16SG	4,400
M/L 4	Cooper-Bessemer	LSV-16SG	4,400

(9 VAC 5-80-830)

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2. **Emission Reductions**: The NO_x SIP Call Phase II emissions reduction requirements for affected engines shall be met through engine combustion modifications (high pressure fuel injection) or through operational limitations. (9 VAC 5-80-850)

C. Periodic Monitoring:

- 1. The permittee shall perform periodic monitoring for the affected engines (Ref. No. M/L 1-4) to yield reliable data from the relevant time period that is representative of Transcontinental Gas Pipeline's compliance with the emission limits in Condition III.D.2. as follows:
 - a. <u>Affected units operating less than 45 hours per ozone season:</u> The permittee shall maintain records on the hours of operation for each affected unit.
 - b. Affected units operating equal to or greater than 45 hours per ozone season: The permittee shall perform at a frequency no less than once per ozone season (or by October 30 for units where the unit's operation exceeded or equaled 45 hours for the ozone season after September 1) one of the following:
 - i) Emissions testing for NO_x consistent with 40 CFR 60, Appendix A, Reference Method 7 or 7E. Tests shall be conducted and data reported in accordance with a DEQ approved testing protocol.
 - ii) Emissions testing for NO_x using portable analyzers consistent with test methods contained in EPA Method CTM-034 or equivalent methodology as approved by the Administrator.

(9 VAC 5-80-890)

2. **Test Protocol -** Tests shall be conducted and data reported in accordance with DEQ-approved testing protocols. The permittee shall submit test protocols to the Director, Valley Regional Office, at least 30 days prior to testing. One copy of the results shall be submitted to the Valley Regional Office within 45 days of test completion but no later than October 31 of each year to document the completion of the Annual Ozone Season NO_x Emissions Report detailed in Condition III.F.

(9 VAC 5-80-890)

3. In lieu of testing required in paragraph 1.b., the permittee may install and operate a continuous emissions monitoring system that complies with 40 CFR Part 75.

(9 VAC 5-80-890)

D. Operating/Emission Limitations

- 1. **Allowable Ozone Season Operating Hours** Beginning on May 1, 2007, the affected engines listed in Condition III.B.1 shall not operate more than a total of 1780 hours during the ozone season. (9 VAC 5-80-850)
- 2. **Emission Limits** Beginning on May 1, 2007, NO_x emissions from the operation of each affected engine shall not exceed the projected emission rates specified below during the ozone season:

Unit ID	Past Ozone Season NO _x Emission Rate (1995) (lb/hr)	Past Ozone Period NO _x Emission Rate (1995) (tons/ozone season)	Ozone Season Projected NO _x Emission Rate (lb/hr)	Ozone Season Projected NO _x Emission Rate (ton/ozone season)
M/L 1	219.00	402.1	219.00	48.7275
M/L 2	219.00	402.1	219.00	48.7275
M/L 3	219.00	402.1	219.00	48.7275
M/L 4	219.00	402.1	219.00	48.7275
Total		1608.4		194.91

(9 VAC 5-80-850)

3. **Emission Controls** – Requests to increase the total hours of operation of the affected facility above the limit contained in Condition III.D.1 or an increase in the emission limits contained in Condition III.D.2 will result in the requirement to install low emission combustion (LEC) technology on the existing affected units to ensure compliance with the ozone season NO_x tonnage limit.

(9 VAC 5-80-850)

4. **Fuel** - The approved fuel for the affected engines is natural gas. A change in the fuel may require a NSR program permit. (9 VAC 5-80-850)

E. **Testing**

Emissions Test - Prior to May 1, 2007 the permittee shall conduct an initial emissions test consistent with 40 CFR Part 60, Appendix A for NO_x from each affected engine using reference method 7 or 7(E) to determine compliance with the ozone season allowable NO_x emission limits contained in Condition III.D.2. The tests shall be performed and each affected engine shall demonstrate compliance by May 1, 2007. Tests shall be conducted and reported and data reduced as set forth in 9 VAC 5-40-30 and the test methods and procedures contained in each applicable section listed in 40 CFR Part 60, Appendix A. The details of the tests are to be arranged with the Director, Valley Regional Office. The permittee shall submit a test protocol at least 30 days prior to testing. One copy of the test results shall be submitted to the Director, Valley Regional Office within 45 days after test completion and shall conform to the test report format enclosed with this permit.

(9 VAC 5-80-880)

F. Reporting

Annual Ozone Season NO_x Emissions Report – The permittee shall submit an annual summary report to the Director, Valley Regional Office documenting the total NO_x emissions (in tons) from May 1 through September 30 of each year by October 31 from each affected engine. The report shall be submitted annually beginning in 2007. The report shall include the unit identification number for the affected engine, the manufacturer and model of each affected engine, and the name and address of the facility where the unit is located. Additionally, the report shall include the percent utilization at Stations 170, 175, and 180 for each ozone

(9 VAC 5-80-900)

G. Recordkeeping

On Site Records - The permittee shall maintain records of emission data and operating parameters as necessary to demonstrate compliance with this permit for each affected engine. The content and format of such records shall be arranged with the Director, Valley Regional Office. For each affected engine, these records shall include, but are not limited to:

- a. The number of hours each unit is operated during the ozone season compared to the ozone season allowable operating hours of operation listed in Condition III.D.1.
- b. The type and quantity of fuel used during the ozone season for each affected engine.
- c. Results of all emissions tests.

- d. Periodic monitoring records necessary to demonstrate compliance with Condition III.C.
- e. Calculations demonstrating compliance with the NO_x emissions limits listed in Condition III.D.2. Alternatively, a copy of the Annual Ozone Season NO_x Emissions report as required in Condition III.F may be used if the annual report contains adequate documentation to assess compliance.
- f. A summary of any corrective maintenance taken.

These records shall be available for inspection by the DEQ and shall be current for at least the most recent five years. These records shall be made available to the State or EPA upon request. (9 VAC 5-80-900)

H. General Conditions

- 1. **Right of Entry** The permittee shall allow authorized local, state, and federal representatives, upon the presentation of credentials:
 - a. To enter upon the permittee's premises on which the facility is located or in which any records are required to be kept under the terms and conditions of this permit;
 - To have access to and copy at reasonable times any records required to be kept under the terms and conditions of this permit or the State Air Pollution Control Board Regulations;
 - To inspect at reasonable times any facility, equipment, or process subject to the terms and conditions of this permit or the State Air Pollution Control Board Regulations; and
 - d. To sample or test at reasonable times.

For purposes of this condition, the time for inspection shall be deemed reasonable during regular business hours or whenever the facility is in operation. Nothing contained herein shall make an inspection time unreasonable during an emergency. (9 VAC 5-170-130)

2. Notification for Facility or Control Equipment Malfunction - The permittee shall furnish notification to the Director, Valley Regional Office of malfunctions of the affected facility or related air pollution control equipment that may cause excess emissions for more than one hour, by facsimile transmission, telephone or telegraph. Such notification shall be made as soon

as practicable but no later than four daytime business hours after the malfunction is discovered. The permittee shall provide a written statement giving all pertinent facts, including the estimated duration of the breakdown, within two weeks of discovery of the malfunction. When the condition causing the failure or malfunction has been corrected and the equipment is again in operation, the permittee shall notify the Director, Valley Regional Office in writing.

(9 VAC 5-20-180 C)

- 3. **Violation of Ambient Air Quality Standard** The permittee shall, upon request of the DEQ, reduce the level of operation or shut down a facility, as necessary to avoid violating any primary ambient air quality standard and shall not return to normal operation until such time as the ambient air quality standard will not be violated.

 (9 VAC 5-20-180 I)
- 4. **Maintenance/Operating Procedures** The permittee shall take the following measures in order to minimize the duration and frequency of excess emissions from process equipment which affect such emissions:
 - a. Develop a maintenance schedule and maintain records of all scheduled and non-scheduled maintenance.
 - b. Maintain an inventory of spare parts.
 - c. Have available written operating procedures for equipment. These procedures shall be based on the manufacturer's recommendations, at a minimum.
 - d. Train operators in the proper operation of all such equipment and familiarize the operators with the written operating procedures. The permittee shall maintain records of the training provided including the names of trainees, the date of training and the nature of the training. Records of maintenance and training shall be maintained on site for a period of five years and shall be made available to DEQ personnel upon request. (9 VAC 5-50-20 E)
- 5. **Permit Suspension/Revocation** This permit may be suspended or revoked if the permittee:
 - a. Knowingly makes material misstatements in the application for this permit or any amendments to it;
 - b. Fails to comply with the terms or conditions of this permit;

- c. Fails to comply with any emission standards applicable to the equipment listed in Condition III.B.1:
- d. Causes emissions from this facility which result in violations of, or interferes with the attainment and maintenance of, any ambient air quality standard;
- e. Fails to operate this facility in conformance with any applicable control strategy, including any emission standards or emission limitations, in the State Implementation Plan in effect on the date that the application for this permit is submitted; or
- f. Fails to comply with the applicable provisions of the NSR program.

(9 VAC 5-80-1010)

- 6. **Change of Ownership** In the case of a transfer of ownership of a stationary source, the new owner shall abide by any current permit issued to the previous owner. The new owner shall notify the Director, Valley Regional Office of the change of ownership within 30 days of the transfer. (9 VAC 5-80-940)
- 7. **Registration/Update** Annual requirements to fulfill legal obligations to maintain current stationary source emissions data will necessitate a prompt response by the permittee to requests by the DEQ or the Board for information to include, as appropriate: process and production data; changes in control equipment; and operating schedules. Such requests for information from the DEQ will either be in writing or by personal contact. The availability of information submitted to the DEQ or the Board will be governed by applicable provisions of the Freedom of Information Act, §§ 2.2-3700 through 2.2-3714 of the Code of Virginia, § 10.1-1314 (addressing information provided to the Board) of the Code of Virginia, and 9 VAC 5-170-60 of the State Air Pollution Control Board Regulations. Information provided to federal officials is subject to appropriate federal law and regulations governing confidentiality of such information. (9 VAC 5-80-900)
- 8. **Permit Copy** The permittee shall keep a copy of this permit on the premises of the facility to which it applies.

 (9 VAC 5-80-860 D)
- 9. **Relationship to Other Permit Requirements -** Except to the extent that conditions in this permit may be more stringent, this permit does not

supersede or replace any other valid permit, regulatory or statutory requirement. Furthermore, this approval to operate shall not relieve Transcontinental Gas Pipe Line Corporation of the responsibility to comply with all other local, state and federal regulations, including permit regulations. (9 VAC 5-80-800 D and 9 VAC 5-80-820 F)

10. **Federal Enforceability -** Once the permit is approved by the U.S. Environmental Protection Agency into the Commonwealth of Virginia State Implementation Plan, the permit is enforceable by EPA and citizens under the federal Clean Air Act.

(9 VAC 5-80-800 C.2. and 9 VAC 5-80-820 F)

11. **Permit Modification** – The Board may revise (modify, rewrite, change or amend) or repeal this permit with the consent of Transcontinental Gas Pipe Line Corporation, for good cause shown by Transcontinental Gas Pipe Line Corporation, or on its own motion provided approval of the revision or repeal is accomplished in accordance with Regulations of the Board and the Administrative Process Act (§ 2.2-4000 et seq.). Such revision or repeal shall not be effective until the revision or repeal is approved by the U. S. Environmental Protection Agency following the requirements of 40 CFR Part 51 (Requirements for Preparation, Adoption, and Submittal of Implementation Plans).

(9 VAC 5-80-960 and 9 VAC 5-80-1000)

12. **Failure to Comply -** Failure by Transcontinental Gas Pipe Line Corporation to comply with any of the conditions of this permit shall constitute a violation of a Permit of the Board. Failure to comply may result in a Notice of Violation and civil penalty. Nothing herein shall waive the initiation of appropriate enforcement actions or the issuance of orders as appropriate by the Board as a result of such violations. Nothing herein shall affect appropriate enforcement actions by any other federal, state, or local regulatory authority. (9 VAC 5-80-820 F, 9 VAC 5-80-910 and 9 VAC 5-80-1010)

SOURCE TESTING REPORT FORMAT

Cover

- 1. Plant name and location
- 2. Units tested at source (indicate Ref. No. used by source in permit or registration)
- 3. Tester; name, address and report date

Certification

- 1. Signed by team leader / certified observer (include certification date)
- * 2. Signed by reviewer

Introduction

- 1. Test purpose
- 2. Test location, type of process
- 3. Test dates
- * 4. Pollutants tested
- 5. Test methods used
- 6. Observers' names (industry and agency)
- 7. Any other important background information

Summary of Results

- 1. Pollutant emission results / visible emissions summary
- 2. Input during test vs. rated capacity
- 3. Allowable emissions
- * 4. Description of collected samples, to include audits when applicable
- 5. Discussion of errors, both real and apparent

Source Operation

- 1. Description of process and control devices
- 2. Process and control equipment flow diagram
- 3. Process and control equipment data

* Sampling and Analysis Procedures

- 1. Sampling port location and dimensioned cross section
- 2. Sampling point description
- 3. Sampling train description
- 4. Brief description of sampling procedures with discussion of deviations from standard methods
- 5. Brief description of analytical procedures with discussion of deviation from standard methods

Appendix

- * 1. Process data and emission results example calculations
- 2. Raw field data
- * 3. Laboratory reports
- 4. Raw production data
- * 5. Calibration procedures and results
- 6. Project participants and titles
- 7. Related correspondence
- 8. Standard procedures
- * Not applicable to visible emission evaluations.